

14 pages

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA  
SACRAMENTO DIVISION

In re:

JOHN D. REYNEN and JUDITH M. REYNEN,

Debtors.

Case No.: 08-25145

Chapter 11

MLG-022

In re:

CHRISTO BARDIS and SARA BARDIS,

Debtors.

Case No.: 08-34878

Chapter 11

MHK-009

**EXHIBIT I TO DISCLOSURE STATEMENT TO  
DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION**

(Prepetition Transfer Chart)

**Explanation of Prepetition Property Transfers**

<b><u>Asset</u></b>	<b><u>Transferee</u></b>	<b><u>Est. Equity Value</u></b>	<b><u>Reason for Transfer</u></b>	<b><u>Intended Disposition</u></b>
117 Greenstone	Elizabeth McCulloch and Christo Reynen	\$0	John Reynen was only on the title to secure financing	Property has been foreclosed by Bank of Amador and sold at a loss.
129 Summit Lane	Elizabeth McCulloch and Christo Reynen	\$0	John Reynen was only on the title to secure financing	Property has been foreclosed by Bank of Amador and sold at a loss.
1073 Knolls Drive	Elizabeth McCulloch and Christo Reynen	\$0	John Reynen was only on the title to secure financing	Property has been foreclosed by Bank of Amador and sold at a loss.
174 Leaf Crest	Elizabeth McCulloch and Christo Reynen	\$0	John Reynen was only on the title to secure financing	Property has been foreclosed by Bank of Amador and sold at a loss.
2841 Capetanos	Elizabeth McCulloch and Christo Reynen	\$0	John Reynen was only on the title to secure financing	Property has been foreclosed by Bank of Amador and sold at a loss.
732 Misty Ridge	Elizabeth McCulloch and Christo Reynen	\$0	John Reynen was only on the title to secure financing	Property has been foreclosed by Bank of Amador and sold; proceeds of \$55,764.82 were transferred to Vista Homes. The proceeds were used to pay debts of Vista Homes.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
Mokelumne Oaks I	Auctor Villas, LLC	\$0 (property sold at a loss)	Protection against lien attachment	Umpqua Bank has foreclosed on the property pursuant to a stipulation for relief from the automatic stay. Pursuant to the stipulation, Umpqua Bank waived all deficiency against the Debtors.
Mokelumne Oaks II	Auctor Villas, LLC	\$225,000 (no debt against the property, though Jim Johnston has asserted an ownership interest)	Protection against lien attachment	Auctor Villas, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
Higgins Ranch	Auctor Villas, LLC	\$0 (property sold at a loss)	Protection against lien attachment	Umpqua Bank has foreclosed on the property pursuant to a stipulation for relief from the automatic stay. Pursuant to the stipulation, Umpqua Bank waived all deficiency against the Debtors.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
22.6866% interest in Conway Preservation Group	Canvas Back Holdings, LLC	\$411,765 (net of debt against the property)	Protection against lien attachment	Canvas Back Holdings, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
4.6832% interest in Conway Preservation Group	Winged Teal Holdings, LLC	\$88,235 (net of debt against the property)	Protection against lien attachment	Winged Teal Holdings, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
1087 Martis Landing	Domus Regia, LLC	\$1.4 million (net of debt against the property)	Protection against lien attachment	Domus Regia, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
45100 Brest Road	Wilcox Canyon Holdings, LLC	\$1.2 million <sup>1</sup> (no debt against the property)	Protection against lien attachment	Wilcox Canyon Holdings, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.

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<sup>1</sup> The United States Trustee has referenced Section 341(a) meeting testimony of Mr. Reynen as estimating the value of this property as \$4.5 million. However, a review of the transcript of that testimony establishes that the reference is incorrect: Mr. Reynen testified as to the value of all properties within Wilcox Canyon Holding, LLC at that time. The value of the 45100 Brest Road property in particular is estimated to be \$1.2 million.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
3804 Lynwood Way	Wilcox Canyon Holdings, LLC	\$170,000 (no debt against the property)	Protection against lien attachment	Wilcox Canyon Holdings, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
5600 Ventana Parkway	Wilcox Canyon Holdings, LLC	\$0 (the estimated value of the property is \$705,000 and Wells Fargo is secured to \$840,00)	Protection against lien attachment	Wilcox Canyon Holdings, LLC is owned 100% by the Debtors. The Plan Agent will likely abandon this property on the Effective Date.
4350 Diamond Back	Wilcox Canyon Holdings, LLC	\$415,000	Protection against lien attachment	Wilcox Canyon Holdings, LLC is owned 100% by the Debtors. The property was sold and the proceeds were used to fund the construction and remodeling of other properties held by Wilcox Canyon Holdings, LLC.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
1258 Bramling Crossing	Wilcox Canyon Holdings, LLC	\$285,000 (no debt against the property)	Protection against lien attachment	Wilcox Canyon Holding, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
1216 Bramling Crossing	Wilcox Canyon Holdings, LLC	\$245,000 (no debt against the property)	Protection against lien attachment	Wilcox Canyon Holding, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
14800 Parisian Court	Wilcox Canyon Holdings, LLC	\$540,000 (no debt against the property)	Protection against lien attachment	Wilcox Canyon Holding, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
Lot, Truckee, CA 110-220-19	Wilcox Canyon Holdings, LLC	Value is included in the estimate of 1087 Martis Landing (above)	Protection against lien attachment	Wilcox Canyon Holding, LLC is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property, which will be sold as part of 1087 Martis Landing.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
Broomieside Farms, 14 parcels	Pinnacle Land Ventures Series A	\$0 (property was sold at a loss)	Creation of SPE in order to secure new financing	Property has been foreclosed and sold at a loss by the lender.
Parcel 4-C (3351648) Washoe County, NV	Pinnacle Land Ventures Series C	\$0 (property was sold at a loss)	Creation of SPE in order to secure new financing	Property has been foreclosed and sold at a loss by the lender.
Wallace Lake Estates	Pinnacle Land Ventures Series D	\$350,000 (no debt against the property)	Creation of SPE in order to secure new financing	Pinnacle Land Ventures Series D is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
5720 N. Hwy. 1	Pinnacle Land Ventures Series E	\$1,125,000 (no debt against the property)	Creation of SPE in order to secure new financing	Pinnacle Land Ventures Series E is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.
5580 N. Hwy. 1	Pinnacle Land Ventures Series E	\$1,135,000 (no debt against the property)	Creation of SPE in order to secure new financing	Pinnacle Land Ventures Series E is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.



<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
10630 Mather Blvd.	R&B (Tamarindo) LLC	\$0 (the estimated value of the property is less than the secured debt against the property)	Protection against lien attachment	The lender, KeyBank, foreclosed and sold the property to Village Investors LLP. Buildco is currently leasing the property which contains the offices of Buildco.
2400 Tiffany Lane	John D. Reynen Qualified Residence Trust Sacramento	\$2.5 million	Estate Planning	The John D. Reynen Qualified Residence Trust Sacramento is owned 100% by the Debtors. This property is the Debtors' primary residence and will be retained by the Debtors pursuant to the Plan as an Excluded Asset.
45134 Brest Road	John D. Reynen Qualified Residence Trust Mendocino	\$260,000 (the estimated value of the property is \$2.5 million and there is secured debt against the property of \$2.24 million)	Estate Planning	The John D. Reynen Qualified Residence Trust Sacramento is owned 100% by the Debtors. The Plan Agent will be responsible for the disposition of this property for the benefit of the Reynen Estate.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
\$1,296,705.53 (comprised of 24 payments)	Conaway Preservation LLC	\$1,296,705.93	Debt Servicing	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$542,307.68 (comprised of 12 payments)	Dave's Design Center, Inc.	\$542,307.66	Payments for receipt of materials used in home remodeling	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$104,772.28 (comprised of 2 payments)	Dave Lindquist	\$104,772.28	Repayment of a loan made for the Pennsylvania Farm Quarry business in which John Reynen is a partner.	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$74,046.86 (comprised of 5 payments)	Florin Investors	\$74,046.86	Additional investments	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$265,000.00 (comprised of 2 payments)	Jim Johnston	\$265,000.00	Investment in Pine Gardens LLC	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$32,300.00 (comprised of 24 payments)	Leah Reynen	\$32,300.00	Payment on \$40,000 note	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$5,000.00	Christo Reynen	\$5,000.00	Gift	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
\$1,986,282.16 (comprised of 31 payments)	Vista Homes, LLC	\$1,986,282.16	Advances for payroll, etc. to complete homes in Vista Homes, LLC	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$187,500.00	Carol Hampton	\$187,500.00	Repayments for amounts paid by Judith Reynen's accountant for debts owed by Judith Reynen	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$500,000.00	Carol Hampton	\$500,000.00	Loan	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$1,200.00 (comprised of 2 payments)	Ashley Mahan	\$1,200.00	Gifts to granddaughter of Judith Reynen	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$210,457.00 (comprised of 11 payments)	John Mahan	\$210,457.00	Investment in venture of Judith Reynen's son	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$850.00	Karen Mahan	\$850.00	Gift to family member of Judith Reynen	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$36,400.00 (comprised of 7 payments)	Laura Mahan-York	\$36,400.00	Various gifts to daughter and related family of Judith Reynen	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
\$500.00	Christo Reynen	\$500.00	Gift to John Reynen's son	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$33,073.86 (comprised of 23 payments)	Carol Hampton	\$33,073.86	Payments for accounting services	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$400,000.00	RB Construction, Inc.	\$400,00.00	Capital contribution	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$438,000.00	Reynen Calaveras	\$4438,000	Loans and/or capital contributions	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$45,000.00 (comprised of 9 payments)	John Barsoti	\$45,000.00	Gifts to family member for living expenses	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$825.00	Laura Mahan-York	\$825.00	Gifts to family member	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$6,400,000.00 (comprised of 6 payments)	R&K entities	\$6,400,000.00	2 loans (\$1,700,000 and \$3,645,000.00); remainder as cash advances <sup>2</sup>	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.

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<sup>2</sup> Not reflected in the Financial Statements because the loans are considered uncollectable.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
\$6,501,074.85 (comprised of 6 payments)	R&B entities	\$6,501,074.85	Cash advances for operating expenses	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$14,831.74 (comprised of 11 payments)	Michele Balderree	\$14,831.74	Reimbursement of expenditures made on behalf of Debtors	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$15,000.00	Reynen Education Trust	\$15,000.00	Advance to Debtors' family trust	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$2,013.30	Reynen Family Revocable Trust	\$2,013.30	Advance to Debtors' family trust	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$32,487.50 (comprised of 23 payments)	Patti Reynen	\$32,487.50	Payments for living expenses	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$38,535.93	Conaway Preservation LLC	\$38,535.93	Debt Servicing	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$54,276.00 (comprised of 3 payments)	Dave's Design Center, Inc.	\$54,276.00	Payments for receipt of materials used in home remodeling	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.

<u>Asset</u>	<u>Transferee</u>	<u>Est. Equity Value</u>	<u>Reason for Transfer</u>	<u>Intended Disposition</u>
\$68,753.84 (comprised of 14 payments)	Florin Investors	\$68,753.84	Additional investments	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$31,314.72	Jim Johnston	\$31,314.72	Investment in Pine Gardens LLC	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$1,400.00	Leah Reynen	\$1,400.00	Payment on \$40,000 note	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$1,412.50	Patti Reynen	\$1,412.50	Payments for living expenses	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.
\$36,904.96 (comprised of 4 payments)	Pine Gardens	\$36,904.96	Investments in partnership	The Plan Agent will have the option to pursue avoidance actions for the benefit of the Reynen Estate.